GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Extension of certain incentives under Industrial Development Policy 2015-20 to M/s Enlivening Technologies Private Limited to their proposed Manufacturing Unit for Composite Structures and WTG Blades at Gudipalli, Somandepalli Mandal, Anantapuramu district – Orders- Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.Ms.No.116 Dated:23-08-2016

Read the following:-

(1) From the President M/s. Enlivening Technologies Private Limited, Dt:18 06. 2016.
(2) Empowered Committee of Secretaries Meeting held on 20.06.2016.
(3) The State Investment Promotion Board Meeting held on 08.07.2016.

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O R D E R

In the reference 1st read above, M/s Enlivening Technologies Private Limited have informed that they proposed to set up a Manufacturing Unit for Composite Structures and WTG Blades. The composite structures are used extensively in civil aircraft, military aircraft, missiles, spacecraft, launch vehicles, renewable energy, military shelters and many military vehicles in the Gudipalli, Somandepalli Mandal, Anantapuramu District over a land parcel of 500 Acres. The proposed investment in the project is around Rs. 2,290 crore and employment is 2,950 No. in 3 phases. The investment in the 1st phase of the project is around Rs. 570 crore and employment generation would be for 650 persons. The Company requested for the following:

(i) SEZ Status: For A&D/ Electronic Manufacturing Unit with all benefits pertaining to the same
(ii) 100% rebate on all land related levies like registration / stamp duty etc.
(iii) 100% exemption on entry tax & special entry tax
(iv) Entry Tax on Capital Goods and Raw Materials:
(v) Capital Goods: 100% till completion of Phase V and further expansions
(vi) Raw Materials: 100% for first 10 years of operations
(vii) Electricity at Required Voltage at the plant site
(viii) Rebate on Transportation: For supply to any Aerospace, Defense & Renewable Energy Industries
(ix) Facilitation with Government of India: GoAP requested to facilitate in getting the concessions or incentives which are required to be cleared / offered by Government of India to ensure smooth execution of the project
(x) External Infrastructure:
- External & Arterial Road
- Power Connection
- Water Pipeline
- Helipad

(xi) Capital Subsidy:
- State Capital subsidy to the tune of 20% of the total investment for 15 years
- State to provide additional 25% of capital subsidy on electronic units, which will be reimbursed back to state upon receipt from central government.

(xii) 100% exemption on VAT/ CST for 10 years, accrual for 15 years
(xiii) Exemption from any / all other state taxes, cess, duties or levies as notified by the state government
(xiv) Subsidized Electricity Tariff: 50% of current prevailing price of Rs.6.00 / unit till at least till first 10 years of operations
(xv) Land Cost & Usage:
- Subsidized land at Rs. 4 Lakhs per acre on Freehold basis with no restriction on FAR and ceiling height.

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- Allocation & Allotment of complete 500 acres of contiguous land (as identified by investor) in one go for development of Aerospace & Defense cluster as envisaged in our 5 phase broad plan spread over 5-6 years.

(xvi) Skill Development & Skill Up-gradation and Training:
- GoAP requested to reimburse for setting up a skill development center/R & D institution which will train workers
- 50% re-imbursement for the cost incurred subject Rs. 10,000/- per Employee for skill up-gradation & training

(xvii) Water Tariff: 100% rebate for 15 years.

(xviii) Interest Subsidy:
- GoAP to facilitate long-term loans for 50 % of the project cot at 4% interest p.a. and short term loans at 5% of working capital with no project cost limit. Moratorium on payment for 15 years like Madhya Pradesh, Maharashtra & Gujarat.

(xix) Patent Filing and Quality Certification Cost: 50% reimbursement for patent filing costs(with no limits)
- 50% reimbursement for quality certification cost (with no limits)

(xx) Cost for Participation in Trade Fairs: 50% reimbursement for the cost incurred for participation in International Trade Fairs (with no limits) for Market development support

(xxi) Reimbursement of Employer's PF Contribution: 50% reimbursement for the employer's PF contribution for a period of 5 years

(xxii) Swachh Andhra : 50% subsidy on total capital investment in the project for Green Measures / Swachh Andhra Abhiyan / Swachh Bharat Abhiyan

2. In the reference 2nd read above, the Empowered Committee of Secretaries has discussed the proposal of M/s Envilening Technologies Private Limited in detail and has recommended the following incentives/benefits to the SIPB for the unit:

(i) 100 % VAT & CST reimbursement for period of (7) years from the date of commencement of commercial production or upto realization of 100% fixed capital investment, whichever is earlier.

(ii) Reimbursement of 100 % cost of patents upto Rs. (5) lakh for domestic and Rs. (10) Lakh for international patents

(iii) Reimbursement of 75% of cost of quality certifications upto Rs. (3) Crores

(iv) Reimbursement of one time land conversion cost from Agriculture to Industrial use

(v) The project proponent is directed to submit a Detailed Project Report for the establishment of the Skill Development Centre to the Andhra Pradesh Skill Development Department, Government of Andhra Pradesh which will consider providing all the necessary support, subject to feasibility.

(vi) Currently, there is no Entry Tax applicable in Andhra Pradesh

(vii) Water at a concessional rate of Rs.15 per KL for 5 years.

(viii) All other benefits as per Aerospace & Defence Policy 2015-20.

3. In the reference 3rd read above, the State Investment Promotion Board (SIPB) has discussed the proposal of M/s Envilening Technologies Private Limited in detail and decided to extend the following incentives:

(i) 100 % VAT & CST reimbursement for period of (7) years from the date of commencement of commercial production or upto realization of 100% fixed capital investment, whichever is earlier.

(ii) Reimbursement of 100 % cost of patents uptoRs. 5 lakh for domestic and Rs. 10 Lakh for international patents

(iii) Reimbursement of 75% of cost of quality certifications upto Rs. 3 Crores

(iv) Reimbursement of one time land conversion cost from Agriculture to Industrial use

(v) The project proponent is directed to submit a Detailed Project Report for the establishment of the Skill Development Centre to the Andhra Pradesh Skill Development Department, Government of Andhra Pradesh, which will consider providing all the necessary support, subject to feasibility.

(vi) While the unit has requested for entry Tax exemption, currently there is no Entry Tax applicable in Andhra Pradesh

(vii) Water at a concessional rate of Rs.15 per KL for 5 years.

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(viii) All other benefits as per Aerospace & Defence Policy 2015-20.

4. Government after careful examination of the recommendations of the State Investment Promotion Board, hereby extend the following incentives to M/s. Enlivening Technologies Private Limited to their proposed Manufacturing Unit for Composite Structures and WTG Blades at Gudipalli, Somandepalli Mandal, Anantapuramu district:

(i) 100 % VAT & CST reimbursement for period of (7) years from the date of commencement of commercial production or upto realization of 100% fixed capital investment, whichever is earlier.
(ii) Reimbursement of 100 % cost of patents upto Rs. 5 lakh for domestic and Rs. 10 Lakh for international patents
(iii) Reimbursement of 75% of cost of quality certifications upto Rs. 3 Crores
(iv) Reimbursement of one time land conversion cost from Agriculture to Industrial use
(v) Water at a concessional rate of Rs.15 per KL for 5 years.
(vi) All other benefits as per Aerospace & Defence Policy 2015-20.

5. The project proponent is directed to submit a Detailed Project Report for the establishment of the Skill Development Centre to the AP Skill Development Department, Government of Andhra Pradesh, which will consider providing all the necessary support, subject to feasibility. They are also informed that While the unit has requested for entry Tax exemption, currently there is no Entry Tax applicable in Andhra Pradesh

6. The Director of Industries, Andhra Pradesh, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, A.P., Hyderabad.
M/s. Enlivening Technologies Private Limited through the DOI, A.P. Hyderabad.
Copy to:
The Finance (FMU-Rev.IC)Dept.,
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Law (H) Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, Hyderabad
The Vice Chairman & Managing Director, APIIC, Hyderabad.
The Collector & District Magistrate, Ananatapur District.
The General Manager, District Industries, Centre, Ananatapur District.
The Zonal Manager, A.P.I.I.C., Ananatapur District.
P.S. to Principal Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government & CIP, Industries & Commerce Dept.
SC/SF.

//FORWARDED::BY ORDER//

SECTION OFFICER